

107TH CONGRESS
2D SESSION

S. 2573

To amend the McKinney-Vento Homeless Assistance Act to reauthorize the Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 23, 2002

Mr. REED (for himself, Ms. COLLINS, Mr. SARBANES Mr. CHAFEE, Mr. SCHUMER, Mr. AKAKA, Mr. CARPER, Mr. DODD, and Mr. CORZINE) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the McKinney-Vento Homeless Assistance Act to reauthorize the Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Community Partner-
5 ship to End Homelessness Act of 2002”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 Section 102 of the McKinney-Vento Homeless Assist-
8 ance Act (42 U.S.C. 11301) is amended to read as follows:

1 **“SEC. 102. FINDINGS AND PURPOSE.**

2 “(a) FINDINGS.—Congress finds that—

3 “(1) the United States faces a crisis of individ-
4 uals and families who lack basic affordable housing
5 and appropriate shelter;

6 “(2) assistance from the Federal Government is
7 an important factor in the success of efforts by
8 State and local governments and the private sector
9 to address the problem of homelessness in a com-
10 prehensive manner;

11 “(3) there are several Federal Government pro-
12 grams to assist persons experiencing homelessness,
13 including programs for individuals with disabilities,
14 veterans, and youth;

15 “(4) homeless assistance programs must be
16 evaluated on the basis of their effectiveness in reduc-
17 ing homelessness and transitioning individuals and
18 families to permanent housing and stability;

19 “(5) States and units of general local govern-
20 ment receiving Federal block grant and other Fed-
21 eral grant funds must be evaluated on the basis of
22 their effectiveness in—

23 “(A) implementing plans to appropriately
24 discharge individuals to and from mainstream
25 service systems; and

1 “(B) reducing barriers to participation in
2 mainstream programs, as identified in—

3 “(i) a report by the General Account-
4 ing Office entitled ‘Homelessness: Coordi-
5 nation and Evaluation of Programs Are
6 Essential’, issued February 26, 1999; or

7 “(ii) a report by the General Account-
8 ing Office entitled ‘Homelessness: Barriers
9 to Using Mainstream Programs’, issued
10 July 6, 2000;

11 “(6) an effective plan for reducing homelessness
12 should provide a comprehensive housing system (in-
13 cluding permanent housing and, as needed, transi-
14 tional housing) that recognizes that, while some indi-
15 viduals and families experiencing homelessness at-
16 tain economic viability and independence utilizing
17 transitional housing and then permanent housing,
18 others can reenter society directly through acquiring
19 permanent housing;

20 “(7) supportive housing activities include the
21 provision of permanent housing or transitional hous-
22 ing and appropriate supportive services in an envi-
23 ronment that can meet the short-term or long-term
24 needs of persons experiencing homelessness as they
25 reintegrate into mainstream society;

1 “(8) homeless housing and supportive services
2 programs within a community are most effective
3 when they are developed and operated as part of an
4 inclusive, collaborative, locally driven homeless plan-
5 ning process that involves as decisionmakers persons
6 experiencing homelessness, advocates for persons ex-
7 periencing homelessness, service organizations, gov-
8 ernment officials, business persons, neighborhood
9 advocates, and other community members;

10 “(9) homelessness should be treated as a symp-
11 tom of many neighborhood and community prob-
12 lems, whose remedies require a comprehensive ap-
13 proach integrating all available resources;

14 “(10) there are many private sector entities,
15 particularly nonprofit organizations, that have suc-
16 cessfully operated outcome-effective homeless pro-
17 grams;

18 “(11) Federal homeless assistance should sup-
19 plement other public and private funding provided
20 by communities for housing and supportive services
21 for low-income households;

22 “(12) the Federal Government has a responsi-
23 bility to establish partnerships with State and local
24 governments and private sector entities to address
25 comprehensively the problems of homelessness; and

1 “(13) while the results of Federal programs
2 targeted for persons experiencing homelessness have
3 been positive, the multitude of such programs calls
4 for unification and simplification of the process by
5 which nonprofit organizations, State and local gov-
6 ernments, and the private sector apply for funds.

7 “(b) PURPOSE.—It is the purpose of this Act—

8 “(1) to provide funds for programs to assist in-
9 dividuals and families in the transition from home-
10 lessness, and to prevent homelessness for those vul-
11 nerable to homelessness;

12 “(2) to consolidate the separate homeless assist-
13 ance programs carried out under title IV (consisting
14 of the supportive housing program and related inno-
15 vative programs, the safe havens program, the sec-
16 tion 8 assistance program for single-room occupancy
17 dwellings, the shelter plus care program, and the
18 rural homeless housing assistance program) into a
19 single program with specific eligible activities;

20 “(3) to allow flexibility and creativity in re-
21 thinking solutions to homelessness, including alter-
22 native housing strategies, outcome-effective service
23 delivery, and the involvement of persons experiencing
24 homelessness in decisionmaking regarding opportuni-

1 ties for their long-term stability, growth, and well-
2 being;

3 “(4) to ensure that multiple Federal agencies
4 are involved in the provision of housing, health care,
5 human services, employment, and education assist-
6 ance to persons experiencing homelessness, as appro-
7 priate for the missions of the agencies, through the
8 funding provided for implementation of programs
9 carried out under this Act and other programs tar-
10 geted for persons experiencing homelessness, and
11 mainstream funding, and to promote coordination
12 among those Federal agencies, including providing
13 funding for an Interagency Council on Homelessness
14 to advance such coordination;

15 “(5) to create a unified and performance-based
16 process for allocating and administering funds under
17 title IV;

18 “(6) to encourage comprehensive, collaborative
19 local planning of housing and services programs for
20 persons experiencing homelessness; and

21 “(7) to focus the resources and efforts of the
22 public and private sectors on ending and preventing
23 homelessness.”.

1 **SEC. 3. INTERAGENCY COUNCIL ON HOMELESSNESS.**

2 Title II of the McKinney-Vento Homeless Assistance
3 Act (42 U.S.C. 11311 et seq.) is amended—

4 (1) in section 202 (42 U.S.C. 11312)—

5 (A) in subsection (a)—

6 (i) by striking “(16)” and inserting

7 “(17)”; and

8 (ii) by inserting after paragraph (15)

9 the following:

10 “(16) The Commissioner of Social Security, or
11 the designee of the Commissioner.”; and

12 (B) by adding at the end the following:

13 “(e) ADMINISTRATION.—The Assistant to the Presi-
14 dent for Domestic Policy within the Executive Office of
15 the President shall oversee the functioning of the Inter-
16 agency Council on Homelessness to ensure Federal inter-
17 agency collaboration and program coordination to focus on
18 preventing and ending homelessness, to increase access to
19 mainstream programs by persons experiencing homeless-
20 ness, to eliminate the barriers to participation in those
21 programs, as identified in a report by the General Ac-
22 counting Office entitled ‘Homelessness: Barriers to Using
23 Mainstream Programs’, issued July 6, 2000, and to imple-
24 ment a Federal plan to prevent and end homelessness.”;

25 (2) in section 203(a) (42 U.S.C. 11313(a))—

1 (A) by redesignating paragraphs (6) and
2 (7) as paragraphs (7) and (8), respectively; and

3 (B) by inserting after paragraph (5) the
4 following:

5 “(6) develop mechanisms to ensure access by
6 persons experiencing homelessness to all Federal
7 programs for which the persons are eligible, and to
8 verify collaboration among recipients and project
9 sponsors within a community that receive Federal
10 funding under programs targeted for persons experi-
11 encing homelessness, and other programs for which
12 persons experiencing homelessness are eligible, in-
13 cluding programs identified by the General Account-
14 ing Office in the February 1999 report entitled
15 ‘Homelessness: Coordination and Evaluation of Pro-
16 grams Are Essential’ ”; and

17 (3) by striking section 208 (42 U.S.C. 11318)
18 and inserting the following:

19 **“SEC. 208. AUTHORIZATION OF APPROPRIATIONS.**

20 “Of any amounts made available for any fiscal year
21 to carry out subtitles B and C of title IV, \$1,000,000 shall
22 be allocated to the Assistant to the President for Domestic
23 Policy within the Executive Office of the President to
24 carry out this title.”.

1 **SEC. 4. HOUSING ASSISTANCE GENERAL PROVISIONS.**

2 Subtitle A of title IV of the McKinney-Vento Home-
3 less Assistance Act (42 U.S.C. 11361 et seq.) is
4 amended—

5 (1) by striking the subtitle heading and insert-
6 ing the following:

7 **“Subtitle A—General Provisions”;**

8 (2)(A) by redesignating section 401 (42 U.S.C.
9 11361) as section 403; and

10 (B) by redesignating section 402 (42 U.S.C.
11 11362) as section 406;

12 (3) by inserting before section 403 (as redesign-
13 nated in paragraph (2)) the following:

14 **“SEC. 401. DEFINITIONS.**

15 “In this title:

16 “(1) BOARD.—The term ‘Board’ means a Com-
17 munity Homeless Assistance Planning Board that is
18 a representative planning body established in accord-
19 ance with section 402.

20 “(2) COLLABORATIVE APPLICANT.—The term
21 ‘collaborative applicant’ means—

22 “(A) an entity, which may or may not be
23 a Board, that serves as the applicant for project
24 sponsors who jointly submit a single application
25 for a grant under subtitle C with the approval
26 of, and in accordance with the collaborative

1 process established by, a Board, and, if award-
 2 ed such grant, receives such grant directly from
 3 the Secretary; or

4 “(B) an individual project sponsor who is
 5 an eligible entity under subtitle C and submits
 6 an application for a grant under subtitle C,
 7 with the approval of, and in accordance with
 8 the collaborative process established by, a
 9 Board, and, if awarded such grant, receives
 10 such grant directly from the Secretary.

11 “(3) COLLABORATIVE APPLICATION.—The term
 12 ‘collaborative application’ means an application for a
 13 grant under subtitle C that—

14 “(A) satisfies section 422 (including con-
 15 taining the information described in subsections
 16 (a) and (c) of section 426); and

17 “(B) is submitted to a Board and then to
 18 the Secretary by a collaborative applicant.

19 “(4) CONSOLIDATED PLAN.—The term ‘Con-
 20 solidated Plan’ means a comprehensive housing af-
 21 fordability strategy and community development
 22 plan required in part 91 of title 24, Code of Federal
 23 Regulations.

24 “(5) ELIGIBLE ENTITY.—The term ‘eligible en-
 25 tity’ means, with respect to a subtitle, a public or

1 private entity eligible to receive directly grant
2 amounts under that subtitle.

3 “(6) GEOGRAPHIC AREA.—The term ‘geo-
4 graphic area’ means a State, metropolitan city,
5 urban county, town, village, or other nonentitlement
6 area, or a combination or consortia of such, in the
7 United States, as described in section 106 of the
8 Housing and Community Development Act of 1974
9 (42 U.S.C. 5306).

10 “(7) HOMELESS INDIVIDUAL WITH A DIS-
11 ABILITY.—

12 “(A) IN GENERAL.—The term ‘homeless
13 individual with a disability’ means an individual
14 who is homeless, as defined in section 103 and
15 has a disability that—

16 “(i)(I) is expected to be long-con-
17 tinuing or of indefinite duration;

18 “(II) substantially impedes the indi-
19 vidual’s ability to live independently;

20 “(III) could be improved by the provi-
21 sion of more suitable housing conditions;
22 and

23 “(IV) is a physical, mental, or emo-
24 tional impairment, including an impair-
25 ment caused by alcohol or drug abuse;

1 “(ii) is a developmental disability, as
 2 defined in section 102 of the Develop-
 3 mental Disabilities Assistance and Bill of
 4 Rights Act of 2000 (42 U.S.C. 15002); or

5 “(iii) is the disease of acquired im-
 6 munodeficiency syndrome or any condition
 7 arising from the etiologic agency for ac-
 8 quired immunodeficiency syndrome.

9 “(B) RULE.—Nothing in clause (iii) of
 10 subparagraph (A) shall be construed to limit
 11 eligibility under clause (i) or (ii) of subpara-
 12 graph (A).

13 “(8) INDEPENDENTLY OWNED.—The term
 14 ‘independently owned’, used with respect to rental
 15 assistance, means assistance provided pursuant to a
 16 contract that—

17 “(A) is between—

18 “(i) the recipient or a project sponsor;

19 and

20 “(ii) an independent entity that—

21 “(I) is a private organization;

22 and

23 “(II) owns or leases dwelling
 24 units; and

1 “(B) provides that rental assistance pay-
2 ments shall be made to the independent entity
3 and that eligible persons shall occupy such as-
4 sisted units.

5 “(9) LOW-DEMAND PROGRAM.—The term ‘low-
6 demand program’ means a program that does not
7 require, but offers, in a non-coercive manner—

8 “(A)(i) health care services, mental health
9 services, and substance abuse treatment serv-
10 ices; and

11 “(ii) other supportive services, which may
12 include medication management, education,
13 counseling, job training, and assistance in ob-
14 taining entitlement benefits or in obtaining such
15 supportive services; and

16 “(B) referrals for services described in
17 subparagraph (A).

18 “(10) METROPOLITAN CITY; URBAN COUNTY;
19 NONENTITLEMENT AREA.—The terms ‘metropolitan
20 city’, ‘urban county’, and ‘nonentitlement area’ have
21 the meanings given such terms in section 102(a) of
22 the Housing and Community Development Act of
23 1974 (42 U.S.C. 5302(a)).

1 “(11) NEW.—The term ‘new’, used with respect
2 to housing, means housing for which no assistance
3 has been provided under this title.

4 “(12) OPERATING COSTS.—The term ‘operating
5 costs’ means expenses incurred by a recipient or
6 project sponsor operating—

7 “(A) transitional housing or permanent
8 housing under this title with respect to—

9 “(i) the administration, maintenance,
10 repair, and security of such housing;

11 “(ii) utilities, fuel, furnishings, and
12 equipment for such housing; or

13 “(iii) conducting an assessment under
14 section 426(c)(2); and

15 “(B) supportive housing, for homeless indi-
16 viduals with disabilities or homeless families
17 that include such an individual, under this title
18 with respect to—

19 “(i) the matters described in clauses
20 (i), (ii), and (iii) of subparagraph (A); and

21 “(ii) coordination of services as need-
22 ed to ensure long-term housing stability.

23 “(13) OUTPATIENT HEALTH SERVICES.—The
24 term ‘outpatient health services’ means outpatient

1 health care services, mental health services, and out-
2 patient substance abuse treatment services.

3 “(14) PERMANENT HOUSING.—The term ‘per-
4 manent housing’ includes permanent supportive
5 housing.

6 “(15) PERMANENT HOUSING DEVELOPMENT
7 ACTIVITIES.—The term ‘permanent housing develop-
8 ment activities’ means activities—

9 “(A) to construct, lease, rehabilitate, or ac-
10 quire structures to provide permanent housing;

11 “(B) involving tenant-based, independently
12 owned, and project-based flexible rental assist-
13 ance for permanent housing;

14 “(C) described in paragraphs (1) through
15 (4) of section 423(a); or

16 “(D) involving the capitalization of a dedi-
17 cated project account from which payments are
18 allocated for rental assistance and operating
19 costs of permanent housing.

20 “(16) PRIVATE NONPROFIT ORGANIZATION.—
21 The term ‘private nonprofit organization’ means an
22 organization—

23 “(A) no part of the net earnings of which
24 inures to the benefit of any member, founder,
25 contributor, or individual;

1 “(B) that has a voluntary board;

2 “(C) that has an accounting system, or has
3 designated a fiscal agent in accordance with re-
4 quirements established by the Secretary; and

5 “(D) that practices nondiscrimination in
6 the provision of assistance.

7 “(17) PROJECT.—The term ‘project’, used with
8 respect to activities carried out under subtitle C,
9 means eligible activities described in section 423(a),
10 undertaken pursuant to a specific endeavor, such as
11 serving a particular population or providing a par-
12 ticular resource.

13 “(18) PROJECT-BASED.—The term ‘project-
14 based’, used with respect to rental assistance, means
15 assistance provided pursuant to a contract that—

16 “(A) is between—

17 “(i) the recipient or a project sponsor;

18 and

19 “(ii) an owner of a structure that ex-
20 ists as of the date the contract is entered
21 into; and

22 “(B) provides that rental assistance pay-
23 ments shall be made to the owner and that the
24 units in the structure shall be occupied by eligi-

1 ble persons for not less than the term of the
2 contract.

3 “(19) PROJECT SPONSOR.—The term ‘project
4 sponsor’, used with respect to proposed eligible ac-
5 tivities, means the organization directly responsible
6 for carrying out the proposed eligible activities.

7 “(20) RECIPIENT.—Except as used in subtitle
8 B, the term ‘recipient’ means an eligible entity
9 who—

10 “(A) submits an application for a grant
11 under section 422 that is approved by the Sec-
12 retary;

13 “(B) receives the grant directly from the
14 Secretary to support approved projects de-
15 scribed in the application; and

16 “(C)(i) serves as a project sponsor for the
17 projects; or

18 “(ii) awards the funds to project sponsors
19 to carry out the projects.

20 “(21) SAFE HAVEN.—

21 “(A) IN GENERAL.—The term ‘safe haven’
22 means a facility—

23 “(i) that provides 24-hour residence
24 for an unspecified duration for persons
25 who, on entry to the facility, are unwilling

1 or unable to participate in mental health
 2 or substance abuse treatment programs, or
 3 to receive other supportive services;

4 “(ii) that provides private or semi-pri-
 5 vate accommodations;

6 “(iii) that may provide for the com-
 7 mon use of kitchen facilities, dining rooms,
 8 and bathrooms;

9 “(iv) that may provide supportive
 10 services, on a drop-in basis, to eligible per-
 11 sons who are not residents; and

12 “(v) in which overnight occupancy is
 13 limited to no more than 25 persons.

14 “(B) RULES.—

15 “(i) SUPPLEMENTAL SECURITY IN-
 16 COME.—For purposes of the program car-
 17 ried out under title XVI of the Social Se-
 18 curity Act (42 U.S.C. 1381 et seq.)—

19 “(I) no individual living in a fa-
 20 cility described in subparagraph (A)
 21 and authorized under this title shall
 22 be considered to be an inmate of a
 23 public institution (as provided in sec-
 24 tion 1611(e)(1)(A) of the Social Secu-

1 rity Act (42 U.S.C. 1382(e)(1)(A)));
 2 and

3 “(II) no individual living in a fa-
 4 cility described in subparagraph (A)
 5 and authorized under this title shall
 6 have benefits under title XVI of the
 7 Social Security Act reduced or termi-
 8 nated because of the receipt of sup-
 9 port and maintenance (as provided in
 10 section 1612(a)(2)(A) of the Social
 11 Security Act (42 U.S.C.
 12 1382a(a)(2)(A)), to the extent such
 13 support and maintenance is received
 14 as a result of residence in the facility.

15 “(ii) MEDICAID ASSISTANCE.—For
 16 purposes of the program carried out under
 17 title XIX of the Social Security Act (42
 18 U.S.C. 1396 et seq.)—

19 “(I) a facility described in sub-
 20 paragraph (A) and authorized under
 21 this title shall not be considered to be
 22 a hospital, nursing facility, institution
 23 for mental diseases (as defined in sec-
 24 tion 1905(i) of the Social Security Act

1 (42 U.S.C. 1396d(i))), or any other
2 inpatient facility; and

3 “(II) an individual residing in a
4 facility described in subparagraph (A)
5 and authorized under this title shall
6 not be denied eligibility for assistance
7 under such title because of residency
8 in the facility.

9 “(22) SECRETARY.—The term ‘Secretary’
10 means the Secretary of Housing and Urban Develop-
11 ment.

12 “(23) SERIOUSLY MENTALLY ILL.—The term
13 ‘seriously mentally ill’ means having a severe and
14 persistent mental illness or emotional impairment
15 that seriously limits a person’s ability to live inde-
16 pendently.

17 “(24) SOLO APPLICANT.—The term ‘solo appli-
18 cant’ means an entity that is an eligible entity, di-
19 rectly submits an application for a grant under sub-
20 title C to the Secretary, and, if awarded such grant,
21 receives such grant directly from the Secretary.

22 “(25) STATE.—Except as used in subtitle B,
23 the term ‘State’ means each of the several States,
24 the District of Columbia, the Commonwealth of
25 Puerto Rico, the United States Virgin Islands,

1 Guam, American Samoa, and the Commonwealth of
2 the Northern Mariana Islands.

3 “(26) SUPPORTIVE SERVICES.—The term ‘sup-
4 portive services’ means the services described in sec-
5 tion 425.

6 “(27) TENANT-BASED.—The term ‘tenant-
7 based’, used with respect to rental assistance, means
8 assistance that allows an eligible person to select a
9 housing unit in which such person will live using
10 rental assistance provided under subtitle C, except
11 that if necessary to assure that the provision of sup-
12 portive services to a person participating in a pro-
13 gram is feasible, a recipient or project sponsor may
14 require that the person live—

15 “(A) in a particular structure or unit for
16 not more than the first year of the participa-
17 tion; and

18 “(B) within a particular geographic area
19 for the full period of the participation, or the
20 period remaining after the period referred to in
21 subparagraph (A).

22 “(28) TRANSITIONAL HOUSING.—The term
23 ‘transitional housing’ has the meaning given the
24 term in section 424(b), and includes transitional
25 supportive housing.

1 **“SEC. 402. COMMUNITY HOMELESS ASSISTANCE PLANNING**
2 **BOARDS.**

3 “(a) **BOARDS.**—A Board shall be established for a ge-
4 ographic area by the relevant parties in that geographic
5 area, or designated for a geographic area by the Secretary
6 in accordance with subsection (c), to lead a collaborative
7 planning process to design, execute, and evaluate pro-
8 grams, policies, and practices to prevent and end home-
9 lessness.

10 “(b) **MEMBERSHIP.**—A Board established under sub-
11 section (a) shall be composed of persons—

12 “(1) from a particular geographic area;

13 “(2) not less than 51 percent of whom are—

14 “(A) persons who are experiencing or have
15 experienced homelessness (with not fewer than
16 2 persons being individuals who are experi-
17 encing or have experienced homelessness);

18 “(B) persons who act as advocates for the
19 diverse subpopulations of persons experiencing
20 homelessness; and

21 “(C) persons or representatives of organi-
22 zations who provide assistance to the variety of
23 individuals and families experiencing homeless-
24 ness; and

25 “(3) the remainder of whom are selected from
26 among—

1 “(A) government officials, particularly
2 those officials responsible for administering
3 funding under programs targeted for persons
4 experiencing homelessness, and other programs
5 for which persons experiencing homelessness
6 are eligible, including programs identified by
7 the General Accounting Office in the February
8 1999 report entitled ‘Homelessness: Coordina-
9 tion and Evaluation of Programs Are Essen-
10 tial’;

11 “(B) members of the business community;
12 and

13 “(C) members of neighborhood advocacy
14 organizations.

15 “(c) EXISTING PLANNING BODIES.—The Secretary
16 may designate an entity to be a Board if such entity has,
17 prior to the date of enactment of the Community Partner-
18 ship to End Homelessness Act of 2002, engaged in coordi-
19 nated, comprehensive local homeless housing and services
20 planning and applied for Federal funding to provide home-
21 less assistance.

22 “(d) REMEDIAL ACTION.—If the Secretary finds that
23 a Board for a geographic area does not meet the require-
24 ments of this section, the Secretary may take remedial ac-
25 tion to ensure fair distribution of grant amounts under

1 subtitle C to eligible entities within that area. Such meas-
 2 ures may include designating another body as a Board or
 3 permitting eligible entities to apply directly for grants.

4 “(e) CONSTRUCTION.—Nothing in this section shall
 5 be construed to displace conflict of interest or government
 6 fair practices laws, or their equivalent, that govern appli-
 7 cants for grant amounts under subtitles B and C.

8 “(f) DUTIES.—A Board established under subsection
 9 (a) shall—

10 “(1)(A) design a collaborative process, estab-
 11 lished jointly and complied with by its members, for
 12 evaluating, reviewing, and prioritizing projects and
 13 applications submitted by eligible entities under sub-
 14 titles B and C, in such a manner as to ensure that
 15 the entities further the goal of preventing and end-
 16 ing homelessness in the geographic area involved;

17 “(B)(i)(I) review relevant policies and practices
 18 (in place and planned) of public and private entities
 19 in the geographic area served by the Board to deter-
 20 mine if the policies and practices further or impede
 21 the goal described in subparagraph (A);

22 “(II) in conducting the review, give priority to
 23 the review of—

24 “(aa) the discharge planning and service
 25 termination policies and practices of publicly

1 funded facilities or institutions (such as health
2 care or treatment facilities or institutions, fos-
3 ter care or youth facilities, or correctional insti-
4 tutions), and entities carrying out publicly
5 funded programs and systems of care (such as
6 health care or treatment programs, State pro-
7 grams funded under part A of title IV of the
8 Social Security Act (42 U.S.C. 601 et seq.) (re-
9 lating to Temporary Assistance for Needy Fam-
10 ilies), foster care or youth programs, or correc-
11 tional programs), to ensure that such a dis-
12 charge or termination does not result in imme-
13 diate homelessness for the persons involved;

14 “(bb) the access and utilization policies
15 and practices of the entities carrying out main-
16 stream programs, as identified in the 2 reports
17 described in section 102(a)(5)(B), to ensure
18 that persons experiencing homelessness are able
19 to access and utilize the programs; and

20 “(cc) local policies and practices relating to
21 zoning and enforcement of local statutes, to en-
22 sure that the policies and practices allow rea-
23 sonable inclusion and distribution in the geo-
24 graphic area of special needs populations and
25 families with children; and

1 “(III) in conducting the review, determine the
2 modifications and corrective actions that need to be
3 taken, and by whom, to ensure that the relevant
4 policies and practices do not stimulate, or prolong,
5 homelessness in the geographic area;

6 “(ii) inform the entities of the determinations
7 described in clause (i); and

8 “(iii) once every 3 years, prepare for inclusion
9 in any application reviewed by the Board and sub-
10 mitted to the Secretary under section 422, the deter-
11 minations described in clause (i), in the form of an
12 exhibit entitled ‘Assessment of Relevant Policies and
13 Practices, and Needed Corrective Actions to End
14 and Prevent Homelessness’; and

15 “(C) if the Board designs and carries out the
16 projects, design and carry out the projects in such
17 a manner as to further the goal described in sub-
18 paragraph (A);

19 “(2) require, consistent with the Government
20 Performance and Results Act of 1993 and amend-
21 ments made by that Act, that recipients and project
22 sponsors who are funded by grants received under
23 such subtitles implement and maintain an outcome-
24 based evaluation of their projects that measures ef-
25 fective and timely delivery of housing or services and

1 whether provision of such housing or services results
 2 in preventing or ending homelessness for the persons
 3 that such recipients and project sponsors serve;

4 “(3) require, consistent with the Government
 5 Performance and Results Act of 1993 and amend-
 6 ments made by that Act, outcome-based evaluation
 7 of the Board’s homeless assistance planning process
 8 to measure the Board’s performance in preventing
 9 or ending the homelessness of persons in the
 10 Board’s geographic area; and

11 “(4) participate in the Consolidated Plan for
 12 the geographic area served by the Board.”;

13 (4) by inserting after section 403 (as redesign-
 14 nated in paragraph (2)) the following:

15 **“SEC. 404. TECHNICAL ASSISTANCE.**

16 “(a) IN GENERAL.—The Secretary shall provide tech-
 17 nical assistance to—

18 “(1) States, metropolitan cities, urban counties,
 19 and counties that are not urban counties, that have
 20 not applied for, or have failed to receive, funding
 21 under this title, in order to implement effective plan-
 22 ning processes for preventing and ending homeless-
 23 ness and to improve their capacity to prepare col-
 24 laborative applications; and

1 “(2) Boards or their predecessor homeless plan-
 2 ning bodies in States, metropolitan cities, urban
 3 counties, and counties that are not urban counties,
 4 that have not applied for, or have failed to receive,
 5 funding under this title, in order to improve their
 6 capacity to prepare collaborative applications.

7 “(b) RESERVATION.—The Secretary shall reserve not
 8 more than 1 percent (and not more than \$12,000,000)
 9 of the funds made available for any fiscal year for carrying
 10 out subtitles B and C, to provide technical assistance
 11 under subsection (a) and to develop and maintain a client-
 12 level management information system to assist in directing
 13 resources for the programs carried out under those sub-
 14 titles to the activities that can most effectively prevent and
 15 end homelessness.

16 **“SEC. 405. PERFORMANCE REPORTS.**

17 “(a) IN GENERAL.—A Board shall submit to the Sec-
 18 retary an annual performance report regarding the activi-
 19 ties carried out with grant amounts received under sub-
 20 titles B and C in the geographic area served by the Board,
 21 at such time and in such manner as the Secretary deter-
 22 mines to be reasonable.

23 “(b) CONTENT.—The performance report described
 24 in subsection (a) shall—

1 “(1) describe the number of persons provided
2 homelessness prevention assistance (including the
3 number of such persons who were discharged or
4 whose services were terminated as described in sec-
5 tion 422(d)(2)(B)(ii)(I)(bb)), and the number of in-
6 dividuals and families experiencing homelessness
7 who were provided shelter, housing, or supportive
8 services, with the grant amounts awarded in the fis-
9 cal year prior to the fiscal year in which the report
10 was submitted, including measurements of the num-
11 ber of persons experiencing homelessness who—

12 “(A) entered permanent housing, and the
13 length of time such persons resided in that
14 housing, if known;

15 “(B) entered transitional housing, and the
16 length of time such persons resided in that
17 housing, if known;

18 “(C) obtained or retained jobs;

19 “(D) increased their income, including in-
20 creasing income through the receipt of govern-
21 ment benefits;

22 “(E) received mental health or substance
23 abuse treatment in an institutional setting and
24 now receive that assistance in a less restrictive,
25 community-based setting;

1 “(F) received additional education, voca-
2 tional or job training, or employment assistance
3 services; and

4 “(G) received additional physical, mental,
5 or emotional health care;

6 “(2) estimate the number of persons experi-
7 encing homelessness in the geographic area served
8 by the Board who are eligible for, but did not re-
9 ceive, services, housing, or other assistance through
10 the programs funded under subtitles B and C in the
11 prior fiscal year;

12 “(3) indicate the accomplishments achieved
13 within the geographic area that involved the use of
14 the grant amounts awarded in the prior fiscal year,
15 regarding efforts to coordinate services and pro-
16 grams within the geographic area;

17 “(4) indicate the accomplishments achieved
18 within the geographic area to—

19 “(A) increase access by persons experi-
20 encing homelessness to programs that are not
21 targeted for persons experiencing homelessness
22 (but for which persons experiencing homeless-
23 ness are eligible), including mainstream pro-
24 grams, as identified in the 2 reports described
25 in section 102(a)(5)(B); and

1 “(B) prevent the homelessness of persons
2 discharged from publicly funded institutions or
3 systems of care (such as health care facilities,
4 foster care or other youth facilities or systems
5 of care, institutions or systems of care relating
6 to the temporary assistance to needy families
7 program established under part A of title IV of
8 the Social Security Act (42 U.S.C. 601 et seq.),
9 and corrections programs and institutions);

10 “(5) describe how the Board and other involved
11 public and private entities within the geographic
12 area will incorporate their experiences in the prior
13 fiscal year into the programs and process that the
14 Board and entities will implement during the next
15 fiscal year, including describing specific strategies to
16 improve their performance outcomes;

17 “(6) assess the consistency and coordination be-
18 tween the programs funded under subtitles B and C
19 in the prior fiscal year and the Consolidated Plan;

20 “(7) include updates to the exhibits described in
21 section 402(f)(1)(B)(iii) that were included in
22 applications—

23 “(A) submitted under section 422 by appli-
24 cants from the geographic area; and

25 “(B) approved by the Secretary; and

1 “(8) provide such other information as the Sec-
 2 retary finds relevant to assessing performance, in-
 3 cluding performance on success measures that are
 4 risk-adjusted to factors related to the circumstances
 5 of the population served.

6 “(c) WAIVER.—The Secretary may grant a waiver to
 7 any Board that is unable to provide information required
 8 by subsection (b). Such Board shall submit a plan to pro-
 9 vide such information within a reasonable period of time.”;
 10 and

11 (5) by inserting after section 406 (as redesign-
 12 nated in paragraph (2)) the following:

13 **“SEC. 407. AUTHORIZATION OF APPROPRIATIONS.**

14 “There are authorized to be appropriated to carry out
 15 title II and this title \$1,600,000,000 for fiscal year 2003
 16 and such sums as may be necessary for fiscal years 2004,
 17 2005, 2006, and 2007.”.

18 **SEC. 5. EMERGENCY SHELTER GRANTS PROGRAM.**

19 Subtitle B of title IV of the McKinney-Vento Home-
 20 less Assistance Act (42 U.S.C. 11371 et seq.) is
 21 amended—

22 (1) by striking section 412 (42 U.S.C. 11372)
 23 and inserting the following:

1 **“SEC. 412. GRANT ASSISTANCE.**

2 “The Secretary shall make grants to States and local
3 governments (and to private nonprofit organizations pro-
4 viding assistance to persons experiencing homelessness, in
5 the case of grants made with reallocated amounts) for the
6 purpose of carrying out activities described in section 414.

7 **“SEC. 412A. AMOUNT AND ALLOCATION OF ASSISTANCE.**

8 “(a) IN GENERAL.—Of the amount made available
9 to carry out this subtitle and subtitle C for a fiscal year,
10 the Secretary shall allocate nationally not more than 15
11 percent of such amount for activities described in section
12 414.

13 “(b) ALLOCATION.—An entity that receives a grant
14 under section 412, and serves an area that includes 1 or
15 more geographic areas (or portions of such areas) served
16 by Boards that submit applications under subtitle C, shall
17 allocate the funds made available through the grant to
18 carry out activities described in section 414, in consulta-
19 tion with the Boards.”;

20 (2) in section 413(b) (42 U.S.C. 11373(b)), by
21 striking “amounts appropriated” and all that follows
22 through “for any” and inserting “amounts appro-
23 priated under section 407 and made available to
24 carry out this subtitle for any”;

25 (3) by striking section 414 (42 U.S.C. 11374)
26 and inserting the following:

1 **“SEC. 414. ELIGIBLE ACTIVITIES.**

2 “Assistance provided under section 412 may be used
3 for the following activities:

4 “(1) The renovation, major rehabilitation, or
5 conversion of buildings to be used as emergency
6 shelters.

7 “(2) The provision of essential services, includ-
8 ing services concerned with employment, health, or
9 education, family support services for homeless
10 youth, alcohol or drug abuse prevention or treat-
11 ment, or mental health treatment, if such essential
12 services have not been provided by the local govern-
13 ment during any part of the immediately preceding
14 12-month period, or the use of assistance under this
15 subtitle would complement the provision of those es-
16 sential services.

17 “(3) Maintenance, operation insurance, provi-
18 sion of utilities, and provision of furnishings.”; and

19 (4) by repealing sections 417 and 418 (42
20 U.S.C. 11377, 11378).

21 **SEC. 6. HOMELESS ASSISTANCE PROGRAM.**

22 Subtitle C of title IV of the McKinney-Vento Home-
23 less Assistance Act (42 U.S.C. 11381 et seq.) is
24 amended—

25 (1) by striking the subtitle heading and insert-
26 ing the following:

1 **“Subtitle C—Homeless Assistance**
 2 **Program”;**

3 (2) by striking sections 421 through 423 (42
 4 U.S.C. 11381 et seq.) and inserting the following:

5 **“SEC. 421. PURPOSES.**

6 “The purposes of this subtitle are—

7 “(1) to promote the development of transitional
 8 and permanent housing—

9 “(A) through the creation and operation of
 10 new housing stock, and the leasing or operation
 11 of housing that is not new housing stock; and

12 “(B) by promoting the provision of very
 13 low-cost housing to persons experiencing home-
 14 lessness who are unwilling or unable to partici-
 15 pate in mental health or substance abuse treat-
 16 ment programs, or to receive other supportive
 17 services;

18 “(2) to promote the provision of needed hous-
 19 ing-related supportive services to assist persons ex-
 20 periencing homelessness in the transition from
 21 homelessness, enabling the persons to live as inde-
 22 pendently as possible; and

23 “(3) to promote the implementation of activities
 24 that can prevent vulnerable individuals and families
 25 from becoming homeless.

1 **“SEC. 422. COMMUNITY HOMELESS ASSISTANCE PROGRAM.**

2 “(a) ELIGIBLE APPLICANT.—In this section, the
3 term ‘eligible applicant’ means a collaborative applicant or
4 solo applicant.

5 “(b) PROJECTS.—The Secretary shall award grants
6 to eligible applicants to carry out homeless assistance and
7 prevention projects.

8 “(c) NOTIFICATION OF FUNDING AVAILABILITY.—
9 The Secretary shall release a Notification of Funding
10 Availability for grants awarded under this subtitle for a
11 fiscal year not later than 3 months after the date of enact-
12 ment of the appropriate Act making appropriations for the
13 Department of Housing and Urban Development for the
14 fiscal year.

15 “(d) APPLICATIONS.—

16 “(1) IN GENERAL.—To receive a grant under
17 subsection (b), an eligible applicant shall submit an
18 application for the grant to a Board in accordance
19 with the collaborative process established by the
20 Board, as described in section 402, and have such
21 application reviewed, approved, and prioritized by
22 such Board, except that a solo applicant may submit
23 such application to the Secretary without partici-
24 pating in such process if the applicant includes in-
25 formation in such application regarding why the ap-
26 plicant has not participated.

1 “(2) SUBMISSION TO THE SECRETARY.—To re-
 2 ceive the grant, after receiving approval from the
 3 Board for the application, the eligible applicant shall
 4 submit an application to the Secretary at such time
 5 and in such manner as the Secretary may require,
 6 and containing—

7 “(A) the application submitted to the
 8 Board; and

9 “(B) other information that, in addition to
 10 including the information described in sub-
 11 sections (a) and (c) of section 426, shall—

12 “(i) describe the establishment and
 13 function of the Board, including—

14 “(I) the nomination and selection
 15 process for such Board, including the
 16 names and affiliations of all such
 17 Board members;

18 “(II) all meetings held by such
 19 Board in preparing the collaborative
 20 application, including identification of
 21 those meetings that were public; and

22 “(III) all meetings between
 23 Board representatives, and persons re-
 24 sponsible for administering the Con-
 25 solidated Plan;

1 “(ii) outline the range of housing and
2 service programs available to persons expe-
3 riencing homelessness or imminently at
4 risk of experiencing homelessness and de-
5 scribe the unmet needs that remain in the
6 geographic area for which the collaborative
7 applicant seeks funding regarding—

8 “(I) prevention activities, includ-
9 ing providing assistance in—

10 “(aa) making mortgage,
11 rent, or utility payments; or

12 “(bb) accessing permanent
13 housing and transitional housing
14 for individuals (and families that
15 include the individuals) who are
16 being discharged from a publicly
17 funded facility, program, or sys-
18 tem of care, or whose services
19 (from such a facility, program, or
20 system of care) are being termi-
21 nated;

22 “(II) outreach activities to assess
23 the needs and conditions of persons
24 experiencing homelessness;

1 “(III) emergency shelters, includ-
2 ing the supportive and referral serv-
3 ices the shelters provide;

4 “(IV) transitional housing with,
5 as needed, appropriate supportive
6 services to help persons experiencing
7 homelessness who are not yet able or
8 prepared to make the transition to
9 permanent housing and independent
10 living;

11 “(V) permanent housing to help
12 meet the long-term needs of individ-
13 uals and families experiencing home-
14 lessness; and

15 “(VI) needed supportive services;

16 “(iii) prioritize the projects for which
17 the collaborative applicant seeks funding
18 according to the unmet needs in the fiscal
19 year in which the applicant submits the ap-
20 plication as described in clause (ii);

21 “(iv) identify funds from private and
22 public sources, other than funds received
23 under subtitles B and C, that the State,
24 units of general local government, recipi-
25 ents, project sponsors, and others will use

1 for homelessness prevention, emergency
2 shelter, supportive services, transitional
3 housing, and permanent housing, that will
4 be integrated with the assistance provided
5 under subtitles B and C;

6 “(v) identify funds provided by the
7 State and units of general local govern-
8 ment under programs targeted for persons
9 experiencing homelessness, and other pro-
10 grams for which persons experiencing
11 homelessness are eligible, including pro-
12 grams identified by the General Account-
13 ing Office in the February 1999 report en-
14 titled ‘Homelessness: Coordination and
15 Evaluation of Programs Are Essential’;

16 “(vi) explain—

17 “(I) how the collaborative appli-
18 cant will meet the housing and service
19 needs of individuals and families expe-
20 riencing homelessness in the appli-
21 cant’s community; and

22 “(II) the strategy of the State,
23 units of general local government, and
24 private entities in the geographic area
25 over the next 5 years to prevent and

1 end homelessness, including, as part
2 of that strategy, a work plan for the
3 applicable fiscal years;

4 “(vii) report on the outcome-based
5 performance of the homeless programs
6 within the geographic area served by the
7 collaborative applicant that were funded
8 under this title in the fiscal year prior to
9 the fiscal year in which the application is
10 submitted;

11 “(viii) include any relevant required
12 agreements under subtitle C;

13 “(ix) contain a certification of consist-
14 ency with the Consolidated Plan pursuant
15 to section 403; and

16 “(x)(I) in the case of a collaborative
17 applicant, include an exhibit described in
18 section 402(f)(1)(B)(iii) and prepared by
19 the Board in accordance with that section;
20 or

21 “(II) in the case of a solo applicant,
22 include an exhibit described in section
23 402(f)(1)(B)(iii) and prepared by the ap-
24 plicant.

1 “(3) ANNOUNCEMENT OF AWARDS.—The Sec-
 2 retary shall announce, not later than 5 months after
 3 the last date for the submission of applications de-
 4 scribed in this subsection for a fiscal year, the
 5 grants awarded under subsection (b) for that fiscal
 6 year.

7 “(4) OBLIGATION, DISTRIBUTION, AND UTILIZA-
 8 TION OF FUNDS.—

9 “(A) REQUIREMENTS FOR OBLIGATION.—

10 “(i) IN GENERAL.—Not later than 9
 11 months after the announcement referred to
 12 in paragraph (3), each recipient or project
 13 sponsor seeking the obligation of funds for
 14 a grant announced under paragraph (3)
 15 shall meet all requirements for the obliga-
 16 tion of those funds, including site control,
 17 matching funds, and environmental review
 18 requirements, except as provided in clause
 19 (ii).

20 “(ii) ACQUISITION, REHABILITATION,
 21 OR CONSTRUCTION.—Not later than 15
 22 months after the announcement referred to
 23 in paragraph (3), each recipient or project
 24 sponsor seeking the obligation of funds for
 25 acquisition of housing, rehabilitation of

1 housing, or construction of new housing
2 for a grant announced under paragraph
3 (3) shall meet all requirements for the obli-
4 gation of those funds, including site con-
5 trol, matching funds, and environmental
6 review requirements.

7 “(iii) EXTENSIONS.—At the discretion
8 of the Secretary, and in compelling cir-
9 cumstances, the Secretary may extend the
10 date by which a recipient or project spon-
11 sor shall meet the requirements described
12 in clause (i) if the Secretary determines
13 that compliance with the requirements was
14 delayed due to factors beyond the reason-
15 able control of the recipient or project
16 sponsor. Such factors may include difficul-
17 ties in obtaining site control for a proposed
18 project, completing the process of obtain-
19 ing secure financing for the project, or
20 completing the technical submission re-
21 quirements for the project.

22 “(B) OBLIGATION.—Not later than 45
23 days after a recipient or project sponsor meets
24 the requirements described in subparagraph

1 (A)(i), the Secretary shall obligate the funds for
2 the grant involved.

3 “(C) DISTRIBUTION.—A recipient that re-
4 ceives funds through such a grant—

5 “(i) shall distribute the funds to
6 project sponsors (in advance of expendi-
7 tures by the project sponsors); and

8 “(ii) shall distribute the appropriate
9 portion of the funds to a project sponsor
10 not later than 21 days after receiving a re-
11 quest for such distribution from the project
12 sponsor.

13 “(e) SELECTION CRITERIA.—In determining whether
14 to award a grant to an applicant under subsection (b),
15 the Secretary shall consider, in addition to criteria de-
16 scribed in section 426(b)—

17 “(1) the inclusiveness of the Board involved and
18 the process the Board administered, if applicable;

19 “(2) the comprehensiveness and coordination of
20 the homelessness prevention, housing, and services
21 programs (including discharge planning and service
22 termination protocols) within the geographic area
23 served by the Board;

24 “(3) the extent to which prioritized programs
25 meet unmet needs;

1 “(4) the capacity of the geographic area to le-
2 verage funding from other public and private
3 sources;

4 “(5) the long-term strategy of the applicable
5 States and units of general local government to com-
6 bat, prevent, and end homelessness;

7 “(6) the performance of the homelessness pre-
8 vention, housing, and services programs funded in
9 the fiscal year prior to the date of submission of the
10 application;

11 “(7) the need for services in the geographic
12 area;

13 “(8) the plan by which—

14 “(A) access to appropriate permanent
15 housing will be secured if the proposed project
16 does not include permanent housing; and

17 “(B) access to outcome-effective supportive
18 services will be secured for residents or con-
19 sumers involved in the project who are willing
20 to use the services;

21 “(9) the evaluation plan for evaluations of the
22 project, which—

23 “(A) will use periodically collected informa-
24 tion and analysis to determine whether the
25 project has resulted in enhanced stability and

1 well-being of the residents or consumers served
 2 by the project;

3 “(B) will include evaluations obtained di-
 4 rectly from the individuals or families served by
 5 the project; and

6 “(C) will be submitted by the recipient for
 7 the grant to the Board for review and use in as-
 8 sessments, conducted by the Board consistent
 9 with the Board’s duty to ensure effective out-
 10 comes that contribute to the goal of preventing
 11 and ending homelessness in the geographic area
 12 served by the Board; and

13 “(10) any other criteria the Secretary deter-
 14 mines to be reasonably appropriate.

15 “(f) NOTIFICATION OF PRO RATA ESTIMATED
 16 GRANT AMOUNTS.—

17 “(1) NOTICE.—The Secretary shall inform each
 18 Board, at a time concurrent with the release of the
 19 Notice of Funding Availability for the grants, of the
 20 pro rata estimated grant amount under this subtitle
 21 for the geographic area represented by the Board.

22 “(2) AMOUNT.—

23 “(A) BASIS.—Such estimated grant
 24 amount shall be based on a percentage of the
 25 total funds available, or estimated to be avail-

1 able, to carry out this subtitle for any fiscal
 2 year that is equal to the percentage of the total
 3 amount available for section 106 of the Hous-
 4 ing and Community Development Act of 1974
 5 (42 U.S.C. 5306) for the prior fiscal year
 6 that—

7 “(i) was allocated to all metropolitan
 8 cities and urban counties within the geo-
 9 graphic area represented by the Board; or

10 “(ii) would have been distributed to
 11 all counties within such geographic area
 12 that are not urban counties, if the 30 per-
 13 cent portion of the allocation to the State
 14 involved (as described in subsection (d)(1)
 15 of that section 106) for that year had been
 16 distributed among the counties that are
 17 not urban counties in the State in accord-
 18 ance with the formula specified in that
 19 subsection (with references in that sub-
 20 section to nonentitlement areas considered
 21 to be references to those counties).

22 “(B) RULE.—In computing the estimated
 23 grant amount, the Secretary shall adjust the es-
 24 timated grant amount determined pursuant to
 25 subparagraph (A) to ensure that—

1 “(i) 75 percent of the total funds
 2 available, or estimated to be available, to
 3 carry out this subtitle for any fiscal year
 4 are allocated to the metropolitan cities and
 5 urban counties that received a direct allo-
 6 cation of funds under section 413 for the
 7 prior fiscal year; and

8 “(ii) 25 percent of the total funds
 9 available, or estimated to be available, to
 10 carry out this subtitle for any fiscal year
 11 are allocated—

12 “(I) to the metropolitan cities
 13 and urban counties that did not re-
 14 ceive a direct allocation of funds
 15 under section 413 for the prior fiscal
 16 year; and

17 “(II) to counties that are not
 18 urban counties.

19 “(C) COMBINATIONS OR CONSORTIA.—For
 20 Boards that represent a combination or consor-
 21 tium of cities or counties, the estimated grant
 22 amount shall be the sum of the estimated grant
 23 amounts for the cities or counties represented
 24 by the Board.

25 “(g) APPEALS.—

1 “(1) IN GENERAL.—Not later than 3 months
 2 after the date of enactment of the Community Part-
 3 nership to End Homelessness Act of 2002, the Sec-
 4 retary shall establish a timely appeal procedure for
 5 grant amounts awarded or denied under this subtitle
 6 pursuant to a collaborative application or solo appli-
 7 cation for funding.

8 “(2) PROCESS.—The Secretary shall ensure
 9 that the procedure permits appeals submitted by
 10 Boards, entities carrying out homeless housing and
 11 services projects (including emergency shelters and
 12 homelessness prevention programs), homeless plan-
 13 ning bodies not designated by the Secretary as
 14 Boards, and all other applicants under this subtitle.

15 “(h) SOLO APPLICANTS.—A solo applicant may sub-
 16 mit an application to the Secretary for a grant under sub-
 17 section (b) and be awarded such grant on the same basis
 18 as such grants are awarded to other applicants based on
 19 the criteria described in subsection (e). The Secretary may
 20 award such grants directly to such applicants in a manner
 21 determined to be appropriate by the Secretary.

22 **“SEC. 423. ELIGIBLE ACTIVITIES.**

23 “(a) IN GENERAL.—The Secretary may award grants
 24 to qualified applicants under section 422 to carry out

1 homeless assistance and prevention projects that consist
2 of 1 or more of the following eligible activities:

3 “(1) Construction of new housing units to pro-
4 vide transitional or permanent housing.

5 “(2) Acquisition or rehabilitation of a structure
6 to provide transitional or permanent housing, other
7 than emergency shelter, or to provide supportive
8 services.

9 “(3) Leasing of property, or portions of prop-
10 erty, not owned by the recipient or project sponsor
11 involved, for use in providing transitional or perma-
12 nent housing, or providing supportive services.

13 “(4) Provision of rental assistance to provide
14 transitional or permanent housing to eligible per-
15 sons. The rental assistance may include tenant-
16 based, project-based, or independently owned rental
17 assistance.

18 “(5) Payment of operating costs for housing
19 units assisted under this subtitle.

20 “(6) Supportive services, except that beginning
21 3 years after the date of enactment of the Commu-
22 nity Partnership to End Homelessness Act of 2002,
23 for both new and renewal projects, the only allow-
24 able supportive services will be case management,
25 life skills training, outreach, housing counseling, and

1 other services determined by the Secretary (either at
2 the Secretary's initiative or on the basis of adequate
3 justification by an applicant) to be directly relevant
4 to allowing persons experiencing homelessness to ac-
5 cess and retain housing.

6 “(7) Homeless management information serv-
7 ices.

8 “(8) Monitoring and evaluation activities re-
9 lated to—

10 “(A) measuring the outcomes of a Board's
11 homeless assistance planning process for pre-
12 venting and ending homelessness; and

13 “(B)(i) the effective and timely implemen-
14 tation of specific projects funded under this
15 subtitle, relative to projected outcomes; and

16 “(ii) in the case of a housing project fund-
17 ed under this subtitle, compliance with appro-
18 priate standards of housing quality and habit-
19 ability as determined by the Secretary.

20 “(9) Prevention activities, including—

21 “(A) providing financial assistance to indi-
22 viduals or families who have received eviction
23 notices, foreclosure notices, or notices of termi-
24 nation of utility services if, in the case of such
25 an individual or family—

1 “(i) the inability of the individual or
2 family to make the required payments is
3 due to a sudden reduction in income;

4 “(ii) the assistance is necessary to
5 avoid the eviction, foreclosure, or termi-
6 nation of services; and

7 “(iii) there is a reasonable prospect
8 that the individual or family will be able to
9 resume the payments within a reasonable
10 period of time; and

11 “(B) carrying out relocation activities (in-
12 cluding providing security or utility deposits,
13 rental assistance for a final month at a loca-
14 tion, assistance with moving costs, or rental as-
15 sistance for not more than 6 months) for mov-
16 ing into transitional or permanent housing, in-
17 dividuals, and families that include such
18 individuals—

19 “(i) who lack housing;

20 “(ii) who are being discharged from a
21 publicly funded acute care or long-term
22 care facility, program, or system of care,
23 or whose services (from such a facility,
24 program, or system of care) are being ter-
25 minated; and

1 “(iii) who have plans, developed col-
2 laboratively by the public entities involved
3 and the individuals and families, for secur-
4 ing or maintaining housing after any fund-
5 ing provided under this subtitle is utilized.

6 “(b) ELIGIBILITY FOR FUNDS FOR PREVENTION AC-
7 TIVITIES.—To be eligible to receive grant funds under sec-
8 tion 422 to carry out the prevention activities described
9 in subsection (a)(9), an applicant shall submit an applica-
10 tion to the Secretary under section 422 that shall include
11 a certification in which—

12 “(1) the relevant public entities in the geo-
13 graphic area involved certify compliance with sub-
14 section (c); and

15 “(2) the publicly funded institutions, facilities,
16 and systems of care in the geographic area certify
17 that the institutions, facilities, and systems of care
18 will take, and fund directly, all reasonable measures
19 to ensure that the institutions, facilities, and sys-
20 tems of care do not discharge individuals into home-
21 lessness.

22 “(c) SUPPLEMENT, NOT SUPPLANT.—Funds appro-
23 priated under section 407 and made available for preven-
24 tion activities described in subsection (a)(9) shall be used

1 to supplement and not supplant other Federal, State, and
2 local public funds used for homelessness prevention.

3 “(d) USE RESTRICTIONS.—

4 “(1) ACQUISITION, REHABILITATION, AND NEW
5 CONSTRUCTION.—A project that consists of activities
6 described in paragraph (1) or (2) of subsection (a)
7 shall be operated for the purpose specified in the ap-
8 plication submitted for the project under section 422
9 for not less than 20 years.

10 “(2) OTHER ACTIVITIES.—A project that con-
11 sists of activities described in any of paragraphs (3)
12 through (9) of subsection (a) shall be operated for
13 the purpose specified in the application submitted
14 for the project under section 422 for the duration of
15 the grant period involved.

16 “(3) CONVERSION.—If the recipient or project
17 sponsor carrying out a project that provides transi-
18 tional or permanent housing submits a request to
19 the Secretary to carry out instead a project for the
20 direct benefit of low-income persons, and the Sec-
21 retary determines that the initial project is no longer
22 needed to provide transitional or permanent housing,
23 the Secretary may approve the project described in
24 the request and authorize the recipient or project
25 sponsor to carry out that project.

1 “(e) INCENTIVES TO CREATE NEW PERMANENT
2 HOUSING STOCK.—

3 “(1) IN GENERAL.—In making grants to eligi-
4 ble applicants under section 422, the Secretary shall
5 make awards that provide incentives described in
6 paragraph (2) to promote the creation of new per-
7 manent housing units through the construction, or
8 acquisition and rehabilitation, of permanent housing
9 units, that are owned by a recipient, project sponsor,
10 or other independent entity who entered into a con-
11 tract with a recipient or project sponsor, for—

12 “(A)(i) homeless individuals with disabil-
13 ities who experience chronic homelessness; or

14 “(ii) homeless families that include a
15 homeless individual with a disability who experi-
16 ences chronic homelessness; and

17 “(B) nondisabled homeless families.

18 “(2) ASSISTANCE.—

19 “(A) INDIVIDUALS WITH DISABILITIES.—

20 An eligible applicant that receives assistance
21 under section 422 to implement a project that
22 involves the construction, or acquisition and re-
23 habilitation, of new permanent housing units
24 described in paragraph (1), for individuals and
25 families described in paragraph (1)(A), shall

also receive, as part of the grant, incentives
consisting of—

“(i) funds sufficient to provide not
more than 10 years of rental assistance,
renewable in accordance with section 428;

“(ii) in a case in which the project is
the highest priority project described in the
application, a bonus of not more than
\$250,000 per collaborative or solo applica-
tion submitted by the eligible applicant
under this subtitle to carry out activities
described in section 423; and

“(iii) the technical assistance needed
to ensure the financial viability and pro-
grammatic effectiveness of the project.

“(B) NONDISABLED HOMELESS FAMI-
LIES.—An eligible applicant that receives assist-
ance under section 422 to implement a project
that involves the construction, or acquisition
and rehabilitation, of new permanent housing
units described in paragraph (1), for non-
disabled homeless families, shall also receive in-
centives consisting of—

“(i) in a case in which the project is
the highest priority project described in the

1 application, a bonus of not more than
 2 \$250,000 per collaborative or solo applica-
 3 tion submitted by the eligible applicant
 4 under this subtitle to carry out activities
 5 described in section 423; and

6 “(ii) the technical assistance needed
 7 to ensure the financial viability and pro-
 8 grammatic effectiveness of the project.

9 “(3) ELIGIBLE APPLICANTS.—To be eligible to
 10 receive a grant under this subtitle to carry out ac-
 11 tivities to create new permanent housing stock for
 12 individuals and families described in paragraph (1),
 13 an applicant shall be a private nonprofit organiza-
 14 tion or a public housing authority.

15 “(4) LOCATION.—To the extent practicable, a
 16 Board that receives a grant under this subtitle to
 17 create new permanent housing stock shall ensure
 18 that the housing is located in a mixed-income envi-
 19 ronment.

20 “(f) REPAYMENT OF ASSISTANCE AND PREVENTION
 21 OF UNDUE BENEFITS.—

22 “(1) REPAYMENT.—If a recipient or project
 23 sponsor receives assistance under section 422 to
 24 carry out a project that consists of activities de-
 25 scribed in paragraph (1) or (2) of subsection (a) and

1 the project ceases to provide transitional or perma-
2 nent housing—

3 “(A) earlier than 10 years after operation
4 of the project begins, the Secretary shall re-
5 quire the recipient or project sponsor to repay
6 100 percent of the assistance; or

7 “(B) not earlier than 10 years, but earlier
8 than 20 years, after operation of the project be-
9 gins, the Secretary shall require the recipient or
10 project sponsor to repay 10 percent of the as-
11 sistance for each of the years in the 20-year pe-
12 riod for which the project fails to provide that
13 housing.

14 “(2) PREVENTION OF UNDUE BENEFITS.—Ex-
15 cept as provided in paragraph (3), if any property
16 is used for a project that receives assistance under
17 subsection (a) and consists of activities described in
18 paragraph (1) or (2) of subsection (a), and the sale
19 or other disposition of the property occurs before the
20 expiration of the 20-year period beginning on the
21 date that operation of the project begins, the recipi-
22 ent or project sponsor who received the assistance
23 shall comply with such terms and conditions as the
24 Secretary may prescribe to prevent the recipient or

1 project sponsor from unduly benefiting from such
 2 sale or disposition.

3 “(3) EXCEPTION.—A recipient or project spon-
 4 sor shall not be required to make the repayments,
 5 and comply with the terms and conditions, required
 6 under paragraph (1) or (2) if—

7 “(A) the sale or disposition of the property
 8 used for the project results in the use of the
 9 property for the direct benefit of very low-in-
 10 come persons; or

11 “(B) all of the proceeds of the sale or dis-
 12 position are used to provide transitional or per-
 13 manent housing meeting the requirements of
 14 this subtitle.”;

15 (3) in section 426 (42 U.S.C. 11386)—

16 (A) in subsection (a)—

17 (i) in paragraph (1), by striking “Ap-
 18 plications” and all that follows through
 19 “shall” and inserting “Applications for as-
 20 sistance under section 422 shall”;

21 (ii) in paragraph (2)—

22 (I) by striking subparagraph (B)
 23 and inserting the following:

24 “(B) a description of the size and charac-
 25 teristics of the population that would occupy

1 housing units or receive supportive services as-
2 sisted under this subtitle;”; and

3 (II) in subparagraph (E), by
4 striking “in the case of projects as-
5 sisted under this title that do not re-
6 ceive assistance under such sections,”;
7 and

8 (iii) in paragraph (3), in the last sen-
9 tence, by striking “recipient” and inserting
10 “recipient or project sponsor”;

11 (B) in subsection (d), in the first sentence,
12 by striking “recipient” and inserting “recipient
13 or project sponsor”;

14 (C) by striking subsection (e);

15 (D) by redesignating subsections (f), (g),
16 and (h), as subsections (e), (f), and (g), respec-
17 tively;

18 (E) in subsection (f) (as redesignated in
19 subparagraph (D)), in the first sentence, by
20 striking “recipient” each place it appears and
21 inserting “recipient or project sponsor”;

22 (F) by striking subsection (i); and

23 (G) by redesignating subsection (j) as sub-
24 section (h);

1 (4)(A) by repealing section 429 (42 U.S.C.
2 11389); and

3 (B) by redesignating sections 427 and 428 (42
4 U.S.C. 11387, 11388) as sections 432 and 433, re-
5 spectively; and

6 (5) by inserting after section 426 the following:

7 **“SEC. 427. ALLOCATION AMOUNTS AND INCENTIVES FOR**
8 **SPECIFIC ELIGIBLE ACTIVITIES.**

9 “(a) PURPOSE.—The Secretary shall promote—

10 “(1) permanent housing development activities
11 for—

12 “(A) homeless individuals with disabilities
13 and homeless families that include such an indi-
14 vidual; and

15 “(B) nondisabled homeless families; and

16 “(2) prevention activities described in section
17 423(a)(9).

18 “(b) DEFINITION.—In this section, the term ‘non-
19 disabled homeless family’ means a homeless family that
20 does not include a homeless individual with a disability.

21 “(c) ANNUAL PORTION OF APPROPRIATED AMOUNT
22 AVAILABLE.—

23 “(1) DISABLED HOMELESS INDIVIDUALS AND
24 FAMILIES.—

1 “(A) IN GENERAL.—From the amount
2 made available to carry out this subtitle for a
3 fiscal year, a portion equal to not less than 30
4 percent of the sums made available to carry out
5 subtitle B and this subtitle for that fiscal year
6 shall be used for activities to develop new per-
7 manent housing, in order to help create afford-
8 able permanent housing for homeless individ-
9 uals with disabilities and homeless families that
10 include such an individual.

11 “(B) CALCULATION.—In calculating the
12 portion of the amount described in subpara-
13 graph (A) that is used for activities described in
14 subparagraph (A), the Secretary shall not count
15 funds made available to renew contracts for ex-
16 isting projects (in existence as of the date of
17 the renewal) under section 428.

18 “(2) NONDISABLED HOMELESS FAMILIES.—
19 From the amount made available to carry out this
20 subtitle for a fiscal year, a portion equal to not more
21 than 10 percent of the sums described in paragraph
22 (1) may be used for activities to develop new perma-
23 nent housing for nondisabled homeless families.

1 “(3) MANAGEMENT INFORMATION SERVICES.—
2 From the amount made available to carry out this
3 subtitle for a fiscal year—

4 “(A) a portion equal to not more than 3
5 percent (and not more than \$30,000,000), shall
6 be used for management information services
7 described in section 423(a)(7) for each of the
8 first 3 full fiscal years after the date of enact-
9 ment of the Community Partnership to End
10 Homelessness Act of 2002; and

11 “(B) a portion equal to not more than 1.5
12 percent (and not more than \$15,000,000) shall
13 be used for such services for each subsequent
14 fiscal year.

15 “(4) MONITORING AND EVALUATION ACTIVI-
16 TIES.—From the amount available to carry out this
17 subtitle for a fiscal year, a portion equal to not more
18 than 1.5 percent (and not more than \$15,000,000)
19 shall be used for monitoring and evaluation activities
20 described in section 423(a)(8).

21 “(5) PREVENTION ACTIVITIES.—From the
22 amount made available to carry out this subtitle for
23 a fiscal year, a portion equal to not more than 3
24 percent of the sums described in paragraph (1) shall

1 be used for prevention activities described in section
 2 423(a)(9).

3 “(d) FUNDING FOR ACQUISITION, CONSTRUCTION,
 4 AND REHABILITATION OF PERMANENT OR TRANSITIONAL
 5 HOUSING.—Nothing in this Act shall be construed to es-
 6 tablish a limit on the amount of funding that an applicant
 7 may request under this subtitle for acquisition, construc-
 8 tion, or rehabilitation activities for the development of per-
 9 manent housing or transitional housing.

10 **“SEC. 428. RENEWAL FUNDING AND TERMS OF ASSISTANCE**
 11 **FOR GRANT AMOUNTS FOR PERMANENT**
 12 **HOUSING FOR HOMELESS INDIVIDUALS WITH**
 13 **DISABILITIES.**

14 “(a) IN GENERAL.—Of the total amount available for
 15 use in connection with expiring or terminating section 8
 16 subsidy contracts awarded under section 8 of the United
 17 States Housing Act of 1937 (42 U.S.C. 1437f), such sums
 18 as may be necessary shall be transferred and merged into
 19 the Homeless Assistance Grants account of the Depart-
 20 ment of Housing and Urban Development.

21 “(b) RENEWALS.—Such sums shall be available for
 22 the renewal of contracts for a 1-year term for rental as-
 23 sistance and housing operation costs associated with per-
 24 manent housing projects funded under this subtitle, or
 25 under subtitle C or F (as in effect on the day before the

1 date of enactment of the Community Partnership to End
 2 Homelessness Act of 2002), for homeless individuals with
 3 disabilities and homeless families that include such an in-
 4 dividual. The Secretary shall determine whether to renew
 5 a contract for such a permanent housing project on the
 6 basis of demonstrated need for the project and the compli-
 7 ance of the entity carrying out the project with appro-
 8 priate standards of housing quality and habitability as de-
 9 termined by the Secretary.

10 **“SEC. 429. ADMINISTRATIVE EXPENSES.**

11 “(a) ADMINISTRATIVE EXPENSES.—Grant amounts
 12 awarded under this subtitle may be used for administra-
 13 tive expenses, including expenses for—

14 “(1) carrying out routine grant administration
 15 and monitoring activities;

16 “(2) receipt and disbursal of program funds;

17 “(3) preparation of financial and performance
 18 reports, including carrying out management infor-
 19 mation system functions; and

20 “(4) compliance with grant conditions and audit
 21 requirements.

22 “(b) LIMITATIONS ON ADMINISTRATIVE EX-
 23 PENSES.—A portion, of not more than 6 percent, of grant
 24 amounts awarded under this subtitle may be used for ad-
 25 ministrative expenses described in subsection (a), and not

1 less than 1/2 of such portion shall be allocated to nonprofit
 2 organizations and other project sponsors to fund manage-
 3 ment information system functions, application prepara-
 4 tion, and preparation of annual performance and other
 5 evaluation reports.

6 **“SEC. 430. MATCHING FUNDING.**

7 “(a) IN GENERAL.—An entity who submits an appli-
 8 cation and receives a grant under this subtitle shall make
 9 available contributions, in cash, in an amount equal to not
 10 less than 25 percent of the Federal funds provided under
 11 the grant, except as provided in subsection (b).

12 “(b) CREATION OF PERMANENT HOUSING STOCK.—
 13 The Secretary shall not establish a matching funds re-
 14 quirement relating to activities carried out under this sub-
 15 title that involve the construction, or acquisition and reha-
 16 bilitation, of a new permanent housing unit if—

17 “(1) the total cost of the construction, or acqui-
 18 sition and rehabilitation, is not more than \$500,000;

19 “(2) the unit is owned by a recipient, project
 20 sponsor, or other independent entity who entered
 21 into a contract with a recipient or project sponsor;
 22 and

23 “(3) the unit is for individuals and families de-
 24 scribed in section 423(e).

1 **“SEC. 431. APPEAL PROCEDURE.**

2 “(a) IN GENERAL.—With respect to funding under
3 this subtitle, if certification of consistency with the Con-
4 solidated Plan pursuant to section 403 is withheld from
5 an applicant who has submitted an application for that
6 certification, such applicant may appeal such decision to
7 the Secretary.

8 “(b) PROCEDURE.—The Secretary shall establish a
9 procedure to process the appeals described in subsection
10 (a).

11 “(c) DETERMINATION.—Not later than 45 days after
12 the date of receipt of an appeal described in subsection
13 (a), the Secretary shall determine if certification was un-
14 reasonably withheld. If such certification was unreason-
15 ably withheld, the Secretary shall review such application
16 and determine if such applicant shall receive funding
17 under this subtitle.”.

18 **SEC. 7. REPEALS AND CONFORMING AMENDMENTS.**

19 (a) REPEALS.—Subtitles D, E, F, and G of title IV
20 of the McKinney-Vento Homeless Assistance Act (42
21 U.S.C. 11391 et seq., 11401 et seq., 11403 et seq., and
22 11408 et seq.) are repealed.

23 (b) CONFORMING AMENDMENTS.—

24 (1) INTERAGENCY COUNCIL ON HOMELESS-
25 NESS.—Section 2066(b)(3)(F) of title 38, United
26 States Code, section 506(a) of the Public Health

1 Service Act (42 U.S.C. 290aa–5(a)), and sections
 2 201 and 207(1), and subsections (c)(2) and (d)(3)
 3 of section 501, of the McKinney-Vento Homeless As-
 4 sistance Act (42 U.S.C. 11311, 11317(1), and
 5 11411) are amended by striking “Interagency Coun-
 6 cil on the Homeless” and inserting “Interagency
 7 Council on Homelessness”.

8 (2) CONSOLIDATED PLAN.—Section 403(1) of
 9 the McKinney-Vento Homeless Assistance Act, as re-
 10 designated in section 4(2), is amended—

11 (A) by striking “current housing afford-
 12 ability strategy” and inserting “Consolidated
 13 Plan”; and

14 (B) by inserting before the comma the fol-
 15 lowing: “(referred to in that section as a ‘com-
 16 prehensive housing affordability strategy’)”.

17 (3) PERSONS EXPERIENCING HOMELESS-
 18 NESS.—Section 103 of the McKinney-Vento Home-
 19 less Assistance Act (42 U.S.C. 11302) is amended
 20 by adding at the end the following:

21 “(d) PERSONS EXPERIENCING HOMELESSNESS.—
 22 References in this Act to homeless individuals (including
 23 homeless persons) or homeless groups (including the
 24 homeless) shall be considered to include, and to refer to,

- 1 individuals experiencing homelessness or groups experi-
- 2 encing homelessness, respectively.”.

